.TI.
TILAKNAGAR INDUSTRIES LTD.

ONLINE FILING

Ref: TI/NSE/COMP/17-18/31 **September 14, 2017**

To,
The Manager (Listing),
National Stock Exchange of India Ltd
Exchange Plaza, Plot no. C/1, G Block,
Bandra - Kurla Complex, Bandra (E),
Mumbai - 400 051
Ph No.: 022 26598235/36
Fax No.:022 26598120/237/238

Sub: Results pursuant to Regulation 33 of the SEBI (LODR) Regulations, 2015
Ref: Scrip Code - TI

Dear Sir/Madam,

We wish to inform you that in its Meeting held on September 14, 2017, the Board of Directors of the Company has approved and took on record the consolidated and standalone unaudited financial results of the Company for the quarter ended June 30, 2017. Copies of the same alongwith the Limited Review Reports submitted by M/s. Batliboi & Purohit, Statutory Auditors of the Company are enclosed herewith pursuant to the provisions of Regulation 33 of the SEBI (LODR) Regulations, 2015.

Please take note that the Meeting commenced at 06.30 p.m. and concluded at 07.10 p.m.

Kindly acknowledge the receipt and take the same on your record.

Thanking you,

Yours faithfully,

For Tilaknagar Industries Ltd.

Gaurav Thakur
Company Secretary

TILAKNAGAR INDUSTRIES LTD. MUMBAI

Encl: a/a

Corporate Office : Industrial Assurance Building, 3rd Floor, Churchgate, Mumbai - 400 020.
Tel.: +91 22 22831716/18 **Fax :** +91 22 22046904 **E-mail :** tiliquor@tilind.com
Regd. Office & Works : P. O. Tilaknagar, Tal.Shrirampur, Dist. Ahmednagar, Maharashtra - 413 720.
Tel.: (02422) 265 123 / 265 032 **Fax :** (02422) 265 135 **E-mail** : regoff@tilind.com **Website :** www.tilind.com
CIN : L15420PN1933PLC133303

INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF TILAKNAGAR INDUSTRIES LTD.

1. We have reviewed the accompanying statement of standalone unaudited financial results of **Tilaknagar Industries Ltd.** ("the Company") for the quarter ended June 30, 2017 ('the Statement'), being submitted by the Company pursuant to Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

   This statement which is the responsibility of the company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

   As stated in Note 3 of the Statement, we have not performed a review of the figures relating to the corresponding quarter ended June 30, 2016, including the reconciliation of net loss for the quarter ended June 30, 2016 between the previous GAAP and the Indian Accounting Standards ("Ind AS").

2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. *Basis of qualified conclusion:*

   a. *We draw attention to note no.9 of the statement, where there is an indication that one of the Units of the Company may be impaired. The management has not estimated the recoverable amount of the Unit as required by Indian Accounting Standard (Ind AS) 36 - 'Impairment of Assets', hence we are unable to comment on consequential impact if any on the statement.*

   b. We draw attention to note no.10 of the statement in respect of old advances given to certain parties amounting to Rs.7,981.58 lacs for which no provision is considered necessary by the management. We are unable to verify the recoverability of the amounts due from the parties based on the audit procedures.

4. Based on our review conducted as stated above, *except for effects of the matter described in the basis of qualified conclusion paragraph 3 above* nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Batliboi & Purohit
Chartered Accountants
Firm Registration No. 101048W

Kaushal Mehta
Partner
Membership No. 111749

Place : Mumbai
Date : September 14, 2017

TILAKNAGAR INDUSTRIES LTD. (CIN: L15420PN1933PLC133303)
Corporate Office: 3rd Floor, Industrial Assurance Building, Churchgate, Mumbai, Maharashtra - 400 020
Regd.Office : P.O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Maharashtra - 413720
Email: investor@tilind.com; Website: www.tilind.com; Phone: +91 22 22831716/18; Fax: +91 22 22046904

(Rs in lacs)

Statement of Standalone Unaudited Financial Results for the Quarter ended June 30, 2017

	Particulars	Quarter Ended	
		30.06.2017 Unaudited	30.06.2016 Unaudited
I	**Income from operations**		
	(a) Gross Sales/ Income from Operations (net of discounts)	4,878.91	10,990.98
	(b) Other Operating Income (Refer Note 8)	19.74	13.77
	Total Revenue from Operations	**4,898.65**	**11,004.75**
II	**Other Income**	74.35	9.97
III	**Total Revenue (I + II)**	**4,973.00**	**11,014.72**
IV	**Expenses**		
	(a) Cost of materials consumed	2,705.72	4,449.98
	(b) Purchases of stock-in-trade	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(125.31)	369.82
	(d) Excise Duty	138.97	3,888.07
	(e) Employee benefits expense	519.63	568.23
	(f) Finance costs	3,320.77	3,227.94
	(g) Depreciation and amortization expense	892.49	913.44
	(h) Other expenses	3,602.86	3,671.02
	Total expenses	**11,055.13**	**17,088.50**
V	**Profit/(Loss) before exceptional items and tax (III-IV)**	**(6,082.13)**	**(6,073.78)**
VI	Exceptional items	-	-
VII	**Profit/(Loss) before tax (V-VI)**	**(6,082.13)**	**(6,073.78)**
VIII	**Tax Expense:**		
	(a) Current tax	-	-
	(b) Deferred tax	-	-
IX	**Net Profit/(Loss) for the period (VII-VIII)**	**(6,082.13)**	**(6,073.78)**
X	**Other Comprehensive Income/(Loss)**		
	(a) Items that will not be reclassified to profit & loss		
	(i) Remeasurement of the defined benefit gain / (losses)	(14.71)	(14.01)
	(ii) Deferred tax on remeasurement of defined benefit gain / (losses)	-	-
	(b) Items that will be reclassified to profit & loss	-	-
	Total Other Comprehensive Income/(Loss) for the period ((a) +(b))	**(14.71)**	**(14.01)**
XI	**Total Comprehensive Income/(Loss) for the period (IX+X)**	**(6,096.84)**	**(6,087.79)**
XII	Paid-up equity share capital	12,475.61	12,475.61
XIII	**Earnings Per Equity Share of Rs. 10 /- each (Rs.)**		
	(a) Basic	(4.88)	(4.87)
	(b) Diluted	(4.88)	(4.87)

TILAKNAGAR INDUSTRIES LTD. MUMBAI

Notes :

1 The above Results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on September 14, 2017.

2 The Company has adopted IND-AS with effect from April 01, 2017 with a transition date of April 01, 2016.The financial results for all periods presented have been prepared in accordance with recognition and measurement principles laid down in the IND-AS 34 : Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

3 The IND-AS compliant financial results for the quarter ended June 30, 2017 have been subjected to a limited review by the Statutory Auditors. The IND-AS compliant figures of the corresponding quarter of the previous year have not been subjected to a limited review by the Statutory Auditors. However, the management has exercised necessary due diligence to ensure that such financial results provide a true and fair view.

4 The statement does not include IND-AS compliant results for the preceding quarter and previous year ended March 31, 2017 as the same are not mandatory as per SEBI Circular dated July 05, 2016.

5 The Company is predominantly engaged in the business of manufacture and sale of Indian Made Foreign Liquor (IMFL) and its related products, which constitute a single business segment as per IND-AS 108: Operating Segments. Accordingly, disclosure as per SEBI Circular dated July 05, 2016 is not applicable.

6 Reconciliation of the Net Profit/(Loss) on account of transition from previous GAAP to IND-AS for the quarter ended June 30, 2016 is as under:

(Rs in lacs)

Particulars	Quarter Ended June 30, 2016
	Unaudited
Net Profit/(Loss) after Tax as reported under Previous GAAP	**(6,066.38)**
Actuarial gain/(loss) in respect of defined benefit plan reclassified to Other Comprehensive Income	14.01
Financial liabilites measured at amortised cost	(23.93)
Exchange fluctuation on financial liabilities	2.52
Net Profit/(Loss) After Tax as per IND-AS	**(6,073.78)**

7 The Company has tie-up arrangements in some States and in respect of such arrangements the turnover of Rs. 3,681.00 lacs and Rs. 12,825.78 lacs during the quarters ended June 30, 2017 and June 30, 2016 respectively has not been treated as 'Sales'. However, the surplus generated out of these arrangements is included in the 'Sales/ Income from Operations'.

8 The Company has been recognizing MVAT and CST subsidy on disbursement instead of accrual basis from the quarter ended September 2015 onwards.

9 The Company has applied to the state government authorities for dual feed permission for manufacture of ENA through molasses as well as grain at one of its unit and permission is expected soon. In view of this, the management believes that there is no impairment in value of its unit and hence, the recoverable amount of the unit is not required to be estimated.

10 In lieu of advances given to certain parties amounting to Rs. 7,981.58 lacs, immovable properties have been offered for which negotiations are in process and hence, no provision is considered necessary in the books of accounts.

11 The Company's net worth has eroded, however, there is an improvement in operational performance of the liquor business in terms of higher sales, market share and margins.The Company is in the process of reviving the business in the state of Tamil Nadu which will yield higher margins.These measures will enhance the liquidity position of the Company resulting in production efficiency. The promoters have the ability to organise additional financial support in future, if required. The Company is also in active discussion with the lenders on debt restructuring.

12 The previous period figures have been regrouped and reclassified wherever necessary.

By Order of the Board
For Tilaknagar Industries Ltd.

TILAKNAGAR INDUSTRIES LTD. MUMBAI

Amit Dahanukar
Chairman & Managing Director

Place: Mumbai
Date : September 14, 2017

INDEPENDENT AUDITORS' REVIEW REPORT

TO THE BOARD OF DIRECTORS OF TILAKNAGAR INDUSTRIES LTD.

1. We have reviewed the accompanying statement of unaudited consolidated financial results of **Tilaknagar Industries Ltd.** ("the Company") and its subsidiaries (together referred to as "the Group"), and its shares of loss of associate for the quarter ended June 30, 2017 ('the Statement'), being submitted by the Company pursuant to Regulation 33 of the SEBI (Listing and Disclosure Requirements) Regulations, 2015, as modified by circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016.

   This Statement, which is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the Indian Accounting Standards ('Ind AS'), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. The Statement includes the results of the following entities:

   Holding Company

   1. Tilaknagar Industries Ltd.

   Subsidiaries

   1. Prag Distillery (P) Ltd
   2. Vahni Distilleries Private Ltd
   3. Kesarval Springs Distillers Pvt. Ltd.
   4. PunjabExpo Breweries Pvt. Ltd.
   5. Mykingdom Ventures Pvt. Ltd.
   6. Studd Projects P. Ltd.
   7. Srirampur Grains Pvt. Ltd.
   8. Shivprabha Sugars Ltd.

   Associate

   1. Mason & Summers Marketing Services Pvt. Ltd.

BATLIBOI & PUROHIT MUMBAI CHARTERED ACCOUNTANTS

4. We did not review revenues and loss of Rs.10,643.18 lacs and Rs.278.83 lacs respectively, relating to four subsidiaries, whose financial information has been reviewed by the other auditor and whose report has been furnished to us. Our conclusion on the unaudited consolidated financial results, in so far as it relates to such subsidiaries is based solely on the report of the other auditor.

5. We did not review the revenues Rs.NIL and loss Rs.0.40 lacs of four subsidiaries whose financial information has not been reviewed by other auditors and is certified by the Management. The statement includes group share of loss of Rs Nil for the quarter ended 30 June 2017 in respect of one associate whose financial information has not been reviewed by other auditors and is certified by the Management. In our opinion and according to the information and explanations given to us by the Management, these financial results are not material to the Group. Our conclusion is not modified in respect of the above matters.

6. a. *We draw attention to note no.10 of the statement, where there is an indication that one of the Units of the Company may be impaired. The management has not estimated the recoverable amount of the Unit as required by Indian Accounting Standard (Ind AS) 36 - 'Impairment of Assets', hence we are unable to comment on consequential impact if any on the statement.*

   b. We draw attention to note no. 11 of the statement in respect of old advances given to certain parties amounting to Rs 7,981.58 lacs for which no provision is considered necessary by the management. We are unable to verify the recoverability of the amounts due from the parties based on the audit procedures.

7. Based on our review conducted as stated above and based on consideration of report of other auditors on the unaudited separate quarterly financial results referred to in paragraph 4 above, and based on the other financial information of the components certified by Management, *except for the effects of the matters described in paragraph 6 above,* nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results have not been prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

8. As stated in note 3 of the statement we have not performed review of the figures for the corresponding quarter ended 30 June, 2016, including the reconciliation of loss of the aforesaid quarter as per Ind AS with profit reported under previous GAAP, as reported in the Statement. Our conclusion is not modified in this matter.

For Batliboi & Purohit
Chartered Accountants
Firm Registration No. 101048W

Kaushal Mehta
Partner
Membership No. 111749

Place : Mumbai
Date : September 14, 2017

TILAKNAGAR INDUSTRIES LTD. (CIN: L15420PN1933PLC133303)
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Email: investor@tilind.com; Website: www.tilind.com; Phone: +91 22 22831716/18; Fax: +91 22 22046904

(Rs in lacs)

Statement of Consolidated Unaudited Financial Results for the Quarter ended June 30, 2017

	Particulars	Quarter Ended	
		30.06.2017 Unaudited	30.06.2016 Unaudited
I	**Revenue from Operations**		
	(a) Gross Sales/ Income from Operations (net of discounts)	14,693.28	20,106.53
	(b) Other Operating Income (Refer Note 8)	77.30	22.46
	Total Revenue from Operations	**14,770.58**	**20,128.99**
II	**Other Income**	83.67	10.93
III	**Total Revenue (I + II)**	**14,854.25**	**20,139.92**
IV	**Expenses**		
	(a) Cost of materials consumed	3,720.55	6,663.80
	(b) Purchases of stock-in-trade	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	29.94	(130.02)
	(d) Excise Duty	7,426.50	10,736.43
	(e) Employee Benefits Expense	580.56	624.24
	(f) Finance costs	3,556.78	3,349.93
	(g) Depreciation and amortization expense	935.11	960.76
	(h) Other expenses	4,966.17	4,204.14
	Total expenses	**21,215.61**	**26,409.28**
V	**Profit/(Loss) before exceptional items and tax (III-IV)**	**(6,361.36)**	**(6,269.36)**
VI	Exceptional items	-	-
VII	**Profit/(Loss) before tax (V-VI)**	**(6,361.36)**	**(6,269.36)**
VIII	**Tax Expense:**		
	(a) Current tax	-	-
	(b) Deferred tax	-	-
IX	**Net Profit/(Loss) for the period (VII-VIII)**	**(6,361.36)**	**(6,269.36)**
X	**Other Comprehensive Income/(Loss)**		
	(a) Items that will not be reclassified to profit & loss		
	(i) Remeasurement of the defined benefit gain / (losses)	(18.21)	(17.35)
	(ii) Deferred tax on remeasurement of defined benefit gain / (losses)	-	-
	(b) Items that will be reclassified to profit & loss	-	-
	Total Other Comprehensive Income/(Loss) for the period ((a) +(b))	**(18.21)**	**(17.35)**
XI	**Total Comprehensive Income/(Loss) for the period (IX+X)**	**(6,379.57)**	**(6,286.71)**
XII	**Profit/(Loss) attributable to:**		
	(a) Owners of the Company	(6,361.36)	(6,269.36)
	(b) Non-controlling Interests	-	-
XIII	**Other Comprehensive Income/(Loss) attributable to:**		
	(a) Owners of the Company	(18.21)	(17.35)
	(b) Non-controlling Interests	-	-
XIV	**Total Comprehensive Income/(Loss) attributable to:**		
	(a) Owners of the Company	(6,379.57)	(6,286.71)
	(b) Non-controlling Interests	-	-
XV	Paid-up equity share capital	12,475.61	12,475.61
XVI	**Earnings Per Equity Share of Rs. 10 /- each (Rs.)**		
	(a) Basic	(5.10)	(5.03)
	(b) Diluted	(5.10)	(5.03)

TILAKNAGAR INDUSTRIES LTD. MUMBAI

Notes :

1 The above Results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on September 14, 2017.

2 The Company has adopted IND-AS with effect from April 01, 2017 with a transition date of April 01, 2016.The financial results for all periods presented have been prepared in accordance with recognition and measurement principles laid down in the IND-AS 34 : Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.The Unaudited Consolidated Financial Results have been prepared by the Company in accordance with IND-AS 110: Consolidated Financial Statements and IND-AS 28: Accounting for Investments in Associate in Consolidated Financial Statements prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies.

3 The IND-AS compliant financial results for the quarter ended June 30, 2017 have been subjected to a limited review by the Statutory Auditors. The IND-AS compliant figures of the corresponding quarter of the previous year have not been subjected to a limited review by the Statutory Auditors. However, the management has exercised necessary due diligence to ensure that such financial results provide a true and fair view.

4 The statement does not include IND-AS compliant results for the preceding quarter and previous year ended March 31, 2017 as the same are not mandatory as per SEBI Circular dated July 05, 2016.

5 The Company is predominantly engaged in the business of manufacture and sale of Indian Made Foreign Liquor (IMFL) and its related products, which constitute a single business segment as per IND-AS 108: Operating Segments. Accordingly, disclosure as per SEBI Circular dated July 05, 2016 is not applicable.

6 Reconciliation of the Net Profit/(Loss) on account of transition from previous GAAP to IND-AS for the quarter ended June 30, 2016 is as under:

(Rs in lacs)

Particulars	Quarter Ended June 30, 2016
	Unaudited
Net Profit/(Loss) after Tax as reported under Previous GAAP	**(6,265.30)**
Actuarial gain/(loss) in respect of defined benefit plan reclassified to Other Comprehensive Income	**17.35**
Financial liabilites measured at amortised cost	**(23.93)**
Exchange fluctuation on financial liabilities	**2.52**
Net Profit/(Loss) After Tax as per IND-AS	**(6,269.36)**

7 The Company has tie-up arrangements in some States and in respect of such arrangements the turnover of Rs. 7,711.39 lacs and Rs. 1,613.51 lacs during the quarters ended June 30, 2017 and June 30, 2016 respectively has not been treated as 'Sales'. However, the surplus generated out of these arrangements is included in the 'Sales/ Income from Operations'.

8 The Company has been recognizing MVAT and CST subsidy on disbursement instead of accrual basis from the quarter ended September 2015 onwards.

9 The Standalone and Consolidated unaudited financial results of the Company for the quarter ended June 30, 2017 are available on the Company's website (www.tilind.com) and on the website of BSE (www.bseindia.com) and NSE (www.nseindia.com). Key Standalone Financial information is as under:

	Particulars	Quarter Ended	
		30.06.2017	30.06.2016
		Unaudited	Unaudited
1	Gross Sales / Income from Operations	4,878.91	10,990.98
	Less:Excise duty	138.97	3,888.07
	Net sales/ Income from Operations	4,739.94	7,102.91
2	Profit/(Loss) before tax	(6,082.13)	(6,073.78)
3	Profit/(Loss) after tax	(6,082.13)	(6,073.78)
4	Total Comprehensive Income/(Loss)	(6,096.84)	(6,087.79)

10 The Company has applied to the state government authorities for dual feed permission for manufacture of ENA through molasses as well as grain at one of its unit and permission is expected soon. In view of this, the management believes that there is no impairment in value of its unit and hence, the recoverable amount of the unit is not required to be estimated.

11 In lieu of advances given to certain parties amounting to Rs. 7,981.58 lacs, immovable properties have been offered for which negotiations are in process and hence, no provision is considered necessary in the books of accounts.

12 The Company's net worth has eroded, however, there is an improvement in operational performance of the liquor business in terms of higher sales, market share and margins.The Company is in the process of reviving the business in the state of Tamil Nadu which will yield higher margins.These measures will enhance the liquidity position of the Company resulting in production efficiency. The promoters have the ability to organise additional financial support in future, if required. The Company is also in active discussion with the lenders on debt restructuring.

13 National Company Law Tribunal ("NCLT") vide its order dated June 27, 2017 has initiated Corporate Insolvency Resolution Process under the provisions of the Insolvency and Bankruptcy Code, 2016 ("the Code") in respect of Prag Distillery (P) Ltd., wholly owned subsidiary of the Company. Also, a Resolution Professional ("IRP") has appointed to carry out the functions as mentioned under the Code.

14 The previous period figures have been regrouped and reclassified wherever necessary.

TILAKNAGAR INDUSTRIES LTD. MUMBAI

By Order of the Board
For Tilaknagar Industries Ltd.

Amit Dahanukar
Chairman & Managing Director

Place: Mumbai
Date : September 14, 2017